

**CLASSIFICATION****EMPLOYMENT AND TRAINING  
ADMINISTRATION ADVISORY  
SYSTEM****U.S. DEPARTMENT OF LABOR  
Washington, D.C. 20210****Dislocated Workers  
CORRESPONDENCE  
SYMBOL****OAS  
DATE  
June 26, 2002****TRAINING AND EMPLOYMENT GUIDANCE LETTER NO.26-01  
change 1**

**TO: ALL STATE WORKFORCE LIAISONS  
ALL STATE WORKER ADJUSTMENT LIAISONS  
ALL STATE WORKFORCE AGENCIES ADMINISTRATORS  
ALL ONE-STOP CENTER SYSTEM LEADS**

**/S/**

**FROM: EMILY STOVER DeROCCO  
Assistant Secretary**

**SUBJECT: Revised Program Year 2001 Allotments for Dislocated  
Worker Activities**

**1. Purpose. To announce the Secretary's determination to carry out the rescission and to provide to states revised Program Year (PY) 2001 allotments for the dislocated worker program under Workforce Investment Act (WIA) Title I as a result of the rescission contained in the Supplemental Appropriations Act, 2001, Public Law 107-20.**

**2. References.**

**A. TEGL 26-01," Advance Notice of Revised PY 2001 Allotments for Dislocated Worker Activities," dated May 14, 2002; TEGL 12-00," WIA Allotments for PY 2001; Wagner-**

Peyser Act Preliminary Planning Estimates for PY 2001; and Reemployment Services Allotments for PY 2001," dated March 6,2001; TEGL 5-99, "WIA Allotments for PY 2000; and Wagner-Peyser Act Preliminary Planning Estimates for PY 2000," dated February 17,2000; TEGL 3-01, "PY 2001 Changes in Dislocated Worker and Youth Funds," dated August 16, 2001; and TEGL 3-01, Change 2, "PY 2001 Changes in Dislocated Worker Funds," dated September 28,2001.

B. Supplemental Appropriations Act, 2001 (Public Law 107-20, July 24, 2001; 115 Stat. 155), and WIA (Public Law 105-220).

3. Background. TEGL 26-01, Advance Notice of Revised PY 2001 Allotments for Dislocated Worker Activities, advised states that the Secretary would implement

RESCISSIONS	EXPIRATION DATE
	Continuing

-2-

the rescission under Public Law 107-20 on or before June 28,2002, and that the Administration had proposed a supplemental appropriation to restore the amount rescinded from the dislocated worker formula program. Public Law 107-20 rescinded \$177.5 million from the dislocated worker program for PY 2001. The Act called for a reduction of \$110 million (8.6 percent of the amount previously appropriated) from the formula program and \$67.5 million (21.2 percent of the amount previously appropriated) from the Secretary's national reserve account. The level of

funding for the dislocated worker program was reduced to \$1.413 billion due to the rescission. The outlying areas, which are funded from the Secretary's dislocated worker program national reserve account, were reduced by \$443,750.

The Secretary has made her determination as required by Public Law 107-20 (" Act). The Act requires that the Secretary reduce the level of funding for State formula funds for dislocated worker program activities by \$110 million and the Secretary's national reserve account by \$67.5 million. The attached table shows the revised funding levels for each state as a result of the rescission.

4. Notice of Obligation. The Notice of Obligation (NOO) for the State dislocated worker program will be adjusted to reflect the reduction in the level of funding required by the rescission. The adjustment of funds will be made to the NOOs for PY 2001 (July 1 to June 30) allotments. NOOs will be issued to states immediately.

5. Action Required. State administrators and liaisons are requested to provide this guidance to the appropriate WIA staff. If the state has drawn down these funds from the Health and Human Services, Payment Management System, an immediate refund will be necessary to ensure the rescission can be processed timely and in accordance with Federal law.

6. Inquiries. Direct questions regarding the revised allotments to the appropriate Regional Office.

## 7 Attachments.

- A. PY 2001 WIA Dislocated Worker Activities State allotments, Impact of PY 2001 Rescission.

## **B. Dislocated Worker State Formula PY 2001 Rescission Methodology.**